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Title: Resolution to Approve FY 2018 Fee Adjustments for the Community Services Area

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Attachments: 1. FY 18 BLDG_RENT Fees As Amended.pdf, 2. PAC - PARKS fee structure increases, 3. FY 18 BLDG_RENT Fees Final, 4. PAC Budget Approval.pdf

Date	Ver.	Action By	Action	Result
5/1/2017	1	City Council	Held and Closed	
5/1/2017	1	City Council	Approved as Amended	Pass
5/1/2017	1	City Council		

Resolution to Approve FY 2018 Fee Adjustments for the Community Services Area

Attached for your consideration and approval is the resolution authorizing fee adjustments and new fees for FY 2018. Each year, in conjunction with the preparation of the budget, Service Units review fee revenues to determine if the costs of the services rendered are covered by the fees or are appropriate in relation to comparative data.

When determining cost to serve, Service Units take into account increases in expenses such as labor, materials and supplies, equipment, and overhead costs.

Community Services is proposing fee increases in Parks and Recreation Services for fees at Cobblestone Farm, Ann Arbor Senior Center, Mack and Fuller Pools and the general park use rentals.

Mack Pool season passes last saw a fee increase in 2010 and since then the amount of available weekly pool time has increase by 35%. The Bridge class fee increases at the Senior Center are the first since 2010 and are driven by a new required fee from the national ACBL organization for Bridge directors. Fuller Pool fees are due to extending its season past Labor Day which has been requested by users for the past few years, revenue will be generate by a combination of extended season passes and daily admissions. Some of Cobblestone Farm fees were restructured in 2013 to better reflect usage, with the last fee adjustment coming in 2006. Cobblestone Farm's fees will continue to be relatively low compared to similar venues, with private events being impacted by the fee adjustment. Park and Shelter rental fees have not increased since 2008 and will be updated to provide more accurate fee structures associated with actual usage.

Community Services is also proposing changes to Building and Rental Services fee structure.

Proposed changes will clarify how the unit does business, increase transparency to the customer and come closer to recovering the full cost of these services. Fees for Building and Rental Services have not been adjusted since 2010. The most significant changes include.

Building:

- Separation of the application, (Base Fee), from the initial inspection fee, currently the city combines both services into a single fee. The fee will remain the same however; it is now split into a \$15.00 application fee and a standard \$35.00 inspection fee.
- The plan review fee will be reduced from 40% of the building permit fee to 20% of the building permit fee. This adjustment is recommended after evaluating actual time allocated to plan review and to be more in line with similar communities.
- A fee of \$130.00 is proposed to cover the cost of investigation and correcting work being done without a permit. This is a new fee and based on the average cost to identify and correct these occurrences.
- There are a significant number of new items identified as name change; these are fees that are currently collected under the miscellaneous area of the fee schedule that will now be called out specifically for clarity purposes. Most fees remain the same as currently charged; some have minor adjustments for cost recovery.

Rental:

- Combining the initial and first re-inspection fee into a single fee. This is proposed to simplify the process and eliminate the perception of inspectors ensuring a re-inspection to generate revenue. Each increase of an initial inspection identified in the fee scheduled is partnered with a corresponding elimination of the first re-inspection fee; in essence, one fee now covers two inspections. This is not a reduction; it is a combination of the former initial and re-inspection fee. This change is coupled with a proposed ordinance change extending the inspection period from 2 ½ years to 3 ½ years for any inspection deemed compliant at the time the initial inspection is conducted.

Attached are the recommended fee changes for Building and Rental Services and Parks and Recreation Services. Staff is recommending that Council approve these fee changes. The Park Advisory Commission will review fees at their April 2017 meeting and provide a written recommendation in a separate communication to Council.

Prepared by: Derek Delacourt, Community Services Area Administrator

Approved by: Howard Lazarus, City Administrator

Whereas, All Service Units of the City review their fees each year as part of the budget process;

Whereas, Parks and Recreation Services and Building and Rental Services have reviewed all of their fees as part of the FY2018 budget submittal; and

Whereas, the proposed and new fees are based upon the cost of providing services or remaining competitive with the market;

RESOLVED, That fees for Parks and Recreation Services and Building and Rental Services be adjusted according to the attached schedules;

RESOLVED, That the attached fee schedules become effective according to the dates in the attached schedules; and

RESOLVED, That City Council authorize the City Administrator to take necessary administrative

actions to implement this resolution.

See Attached Fee Schedule As Amended by Ann Arbor City Council on May 1, 2017